Form **5227**

Department of the Treasury
Internal Revenue Service

# Split-Interest Trust Information Return

► See separate instructions.

OMB No. 1545-0196

**2005**

Full name of trust

Name of trustee

Number, street, and room or suite no. (If a P.O. box, see page 3 of the instructions.)

City, state, and ZIP code

**A Employer identification number**

**B Type of Entity**

(1) ☐ Charitable lead trust

(2) ☐ Charitable remainder annuity trust described in section 664(d)(1)

(3) ☐ Charitable remainder unitrust described in section 664(d)(2)

(4) ☐ Pooled income fund described in section 642(c)(5)

(5) ☐ Other

**C** Fair market value (FMV) of assets at end of tax year

**D Date the trust was created**

**E Check applicable boxes** (see instructions) ☐ Initial return ☐ Final return ☐ Amended return
Change in trustee's ► ☐ Name ☐ Address

**F** Did the split-interest trust have any unrelated business taxable income (section 664 trusts only)? If "Yes," file Form 1041 . . . ☐ **Yes** ☐ **No**

## Part I Ordinary Income (Section 664 trust only)

| | | | | |
|---|---|---|---|---|
| 1 | Interest income | | 1 | |
| 2a | Qualified dividends (see instructions) | 2a | | |
| b | Ordinary dividends (including qualified dividends) | | 2b | |
| 3 | Business income or (loss). Attach Schedule C or C-EZ (Form 1040) | | 3 | |
| 4 | Rents, royalties, partnerships, other estates and trusts, etc. Attach Schedule E (Form 1040) | | 4 | |
| 5 | Farm income or (loss). Attach Schedule F (Form 1040) | | 5 | |
| 6 | Ordinary gain or (loss). Attach Form 4797 | | 6 | |
| 7 | Other income. State nature of income ► | | 7 | |
| 8 | **Total** ordinary income. Combine lines 1, 2b, and 3 through 7 | | 8 | |

### Deductions Allocable to Ordinary Income

| | | | |
|---|---|---|---|
| 9 | Interest | 9 | |
| 10 | Taxes | 10 | |
| 11 | Other deductions. Attach a separate sheet listing deductions | 11 | |
| 12 | **Total** deductions. Add lines 9 through 11 | 12 | |
| 13 | Ordinary income less deductions. Subtract line 12 from line 8. Enter here and on line 21, column (a) | 13 | |

### Capital Gains (Losses) and Allocable Deductions

| | | | | | | |
|---|---|---|---|---|---|---|
| 14 | Total short-term capital gain or (loss) for tax year. Attach Schedule D (Form 1041) | | | 14 | | |
| 15 | Deductions allocable to short-term capital gains | | | 15 | | |
| 16 | **Balance.** Subtract line 15 from line 14. Enter here and on line 21, column (b). | | | | | 16 |
| 17a | Total long-term capital gain or (loss) for tax year. Attach Schedule D (Form 1041) | | | 17a | | |
| b | 28% rate gain or (loss) | 17b | | | | |
| c | Unrecaptured section 1250 gain | 17c | | | | |
| 18 | Deductions allocable to long-term capital gains | | | 18 | | |
| 19 | **Balance.** Subtract line 18 from line 17a. Enter here and on line 21, column (c) | | | | | 19 |

## Part II Accumulation Schedule (Section 664 trust only)

| | Accumulations | (a) Ordinary income | Capital gains and (losses) (b) Net short-term | (c) Net long-term | (d) Nontaxable income |
|---|---|---|---|---|---|
| 20 | Undistributed from prior tax years | | | | |
| 21 | Current tax year (before distributions) | | | | |
| 22 | **Total.** Add lines 20 and 21 | | | | |
| 23 | Undistributed at end of tax year | | | | |

## Part III Current Distributions Schedule (Section 664 trust only)

| | Name of recipient | Identifying number | (a) Ordinary income | Capital gains (b) Short-term | (c) Long-term | (d) Nontaxable income | (e) Corpus |
|---|---|---|---|---|---|---|---|
| 24a | | | | | | | |
| b | | | | | | | |
| c | | | | | | | |

## Part IV Balance Sheet (see page 6 of the instructions)

| Assets | | | | (a) Beginning-of-Year Book Value | (b) End-of-Year Book Value | (c) FMV (see instructions) |
|---|---|---|---|---|---|---|
| 25 | Cash—non-interest-bearing | | 25 | | | |
| 26 | Savings and temporary cash investments | | 26 | | | |
| 27a | Accounts receivable | 27a | | | | |
| b | Less: allowance for doubtful accounts | 27b | | | | |
| 28 | Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) | | 28 | | | |
| 29a | Other notes and loans receivable | 29a | | | | |
| b | Less: allowance for doubtful accounts | 29b | | | | |
| 30 | Inventories for sale or use | | 30 | | | |
| 31 | Prepaid expenses and deferred charges | | 31 | | | |
| 32a | Investments—U.S. and state government obligations (attach schedule) | | 32a | | | |
| b | Investments—corporate stock. Attach schedule | | 32b | | | |
| c | Investments—corporate bonds. Attach schedule | | 32c | | | |
| 33a | Investments—land, buildings, and equipment: basis (attach schedule) | 33a | | | | |
| b | Less: accumulated depreciation | 33b | | | | |
| 34 | Investments—other (attach schedule) | | 34 | | | |
| 35a | Land, buildings, and equipment: basis | 35a | | | | |
| b | Less: accumulated depreciation | 35b | | | | |
| 36 | Other assets. Describe ▶ | | 36 | | | |
| 37 | **Total assets.** Add lines 25 through 36 (must equal line 47) | | 37 | | | |
| | **Liabilities** | | | | | |
| 38 | Accounts payable and accrued expenses | | 38 | | | |
| 39 | Deferred revenue | | 39 | | | |
| 40 | Loans from officers, directors, trustees, and other disqualified persons | | 40 | | | |
| 41 | Mortgages and other notes payable. Attach schedule | | 41 | | | |
| 42 | Other liabilities. Describe ▶ | | 42 | | | |
| 43 | **Total liabilities.** Add lines 38 through 42 | | 43 | | | |
| | **Net Assets** | | | | | |
| 44 | Trust principal or corpus | | 44 | | | |
| 45a | Undistributed income | | 45a | | | |
| b | Undistributed capital gains | | 45b | | | |
| c | Undistributed nontaxable income | | 45c | | | |
| 46 | **Total net assets.** Add lines 44 through 45c | | 46 | | | |
| 47 | **Total liabilities and net assets.** Add lines 43 and 46 | | 47 | | | |

## Part V-A Charitable Remainder Annuity Trust Information (to be completed **only** by a section 664 charitable remainder annuity trust)

| | | | |
|---|---|---|---|
| 48a | Enter the initial fair market value (FMV) of the property placed in the trust | 48a | |
| b | Enter the total annual annuity amounts for all recipients. Attach schedule showing the amount for each recipient if more than one | 48b | |

## Part V-B Charitable Remainder Unitrust Information (to be completed **only** by a section 664 charitable remainder unitrust)

| | | | |
|---|---|---|---|
| 49a | Enter the unitrust fixed percentage to be paid to the recipients<br>If there is more than one recipient, attach a schedule showing the percentage of the total unitrust dollar amount payable to each recipient. | 49a | % |
| b | **Unitrust amount.** Subtract line 43, column (c), from line 37, column (c), and multiply the result by the percentage on line 49a. Do not enter less than -0- | 49b | |
| | **Note.** *Complete lines 50a through 51b* ***only*** *for those unitrusts whose governing instruments provide for determining required distributions with reference to the unitrust's income. Otherwise, enter the amount from line 49b on line 52.* | | |
| 50a | Trust's accounting income for 2005 | 50a | |
| b | Enter the smaller of line 49b or line 50a here, and on line 52 on page 3, unless the **Caution** below applies | 50b | |
| | **Caution:** *Lines 51a and b need to be completed by those unitrusts whose governing instruments provide for current distributions to make up for any distribution deficiencies in previous years due to the trust income limit. See Regulations section 1.664-3(a)(1)(i)(b)(2). For these trusts, when completing line 52, enter the smaller of line 50a or line 51b.* | | |

| | | | |
|---|---|---|---|
| **51a** | Total accrued distribution deficiencies from previous years (see page 8 of the instructions) | 51a | |
| **b** | Add lines 49b and 51a | 51b | |
| **52** | Unitrust distributions for 2005 | 52 | |
| **53** | Carryover of distribution deficiency. Subtract line 52 from line 51b | 53 | |

**54** Did the trustee change the method of determining the fair market value of the assets? ☐ Yes ☐ No
If "Yes," attach an explanation.

**55** Were any additional contributions received by the trust during 2005? ☐ Yes ☐ No
If "Yes," attach a schedule that lists the assets and the date(s) received.

## Part VI-A Statements Regarding Activities (see page 8 of the instructions)

| | | | Yes | No |
|---|---|---|---|---|
| **1** | Are the requirements of section 508(e) satisfied either:<br>• By the language in the governing instrument; or<br>• By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument? | 1 | | |
| **2** | Are you using this return only to report the income and assets of a segregated amount under section 4947(a)(2)(B)? | 2 | | |

## Part VI-B Statements Regarding Activities for Which Form 4720 May Be Required

**File Form 4720 if any item is checked in the "Yes" column (to the right), unless an exception applies.**

| | | | Yes | No |
|---|---|---|---|---|
| **1** | Self-dealing (section 4941): | | | |
| **a** | During 2005, did the trust (either directly or indirectly): | | | |
| | **(1)** Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☐ No | | | |
| | **(2)** Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☐ No | | | |
| | **(3)** Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☐ No | | | |
| | **(4)** Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☐ No | | | |
| | **(5)** Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☐ No | | | |
| | **(6)** Agree to pay money or property to a government official? (**Exception.** Check "No" if the trust agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) ☐ Yes ☐ No | | | |
| **b** | If any answer is "Yes" to 1a(1)—(6), did **any** of the acts fail to qualify under the exceptions described in Regulations sections 53.4941(d)-3 and 4, or in a current Notice regarding disaster assistance (see page 9 of the instructions)? | 1b | | |
| | Organizations relying on a current Notice regarding disaster assistance, check here ▶ ☐ | | | |
| **c** | Did the trust engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before January 1, 2005? | 1c | | |
| **2** | Does section 4947(b)(3)(A) or (B) apply? (See page 9 of the instructions.) (If "Yes," check the "N/A" box in questions 3 and 4.) ☐ Yes ☐ No | | | |
| **3** | Taxes on excess business holdings (section 4943): ☐ **N/A** | | | |
| **a** | Did the trust hold more than a 2% direct or indirect interest in any business enterprise at any time during 2005? ☐ Yes ☐ No | | | |
| **b** | If "Yes," did the trust have excess business holdings in 2005 as a result of **(1)** any purchase by the trust or disqualified persons after May 26, 1969; **(2)** the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or **(3)** the lapse of the 10-, 15-, or 20-year first phase holding period? | 3b | | |
| | Use Schedule C, Form 4720, to determine if the trust had excess business holdings in 2005. | | | |
| **4** | Taxes on investments that jeopardize charitable purposes (section 4944): ☐ **N/A** | | | |
| **a** | Did the trust invest during 2005 any amount in a manner that would jeopardize its charitable purpose? | 4a | | |
| **b** | Did the trust make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before January 1, 2005? | 4b | | |
| **5** | Taxes on taxable expenditures (section 4945) and political expenditures (section 4955): | | | |
| **a** | During 2005 did the trust pay or incur any amount to: | | | |
| | **(1)** Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☐ No | | | |
| | **(2)** Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☐ No | | | |
| | **(3)** Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☐ No | | | |
| | **(4)** Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? ☐ Yes ☐ No | | | |
| | **(5)** Provide for any purpose other than religious, charitable, scientific, literary, or educational, or for the prevention of cruelty to children or animals? ☐ Yes ☐ No | | | |

| | | Yes | No |
|---|---|---|---|
| **5b** If any answer is "Yes" to 5a(1)—(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53.4945, or in a current Notice regarding disaster assistance (see page 9 of the instructions)? | **5b** | | |
| Organizations relying on a current Notice regarding disaster assistance, check here ▶ ☐ | | | |
| **c** If the answer is "Yes" to question 5a(4), does the trust claim exemption from the tax because it maintained expenditure responsibility for the grant? (See page 9 of the instructions.) ☐ **Yes** ☐ **No** | | | |
| If "Yes," attach the statement required by Regulations section 53.4945-5(d). | | | |
| **6** Personal benefit contracts (section 170(f)(10)): | | | |
| **a** Did the trust, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ **Yes** ☐ **No** | | | |
| **b** Did the trust, during the year, pay premiums, directly or indirectly, on a personal benefit contract? *If "Yes" to 6b, file Form 8870 (see instructions).* | **6b** | | |

## Part VII Questionnaire for Charitable Lead Trusts, Pooled Income Funds, and Charitable Remainder Trusts

### Section A—Charitable Lead Trusts

**1** Does the governing instrument require income in excess of the required annuity or unitrust payments to be paid for charitable purposes? ☐ **Yes** ☐ **No**

| | | |
|---|---|---|
| **2** Enter the amount of any excess income required to be paid for charitable purposes for 2005 | **2** | |
| **3** Enter the amount of annuity or unitrust payments required to be paid to charitable beneficiaries for 2005 | **3** | |
| **4** Enter the amount of annuity or unitrust payments required to be paid to private beneficiaries for 2005 | **4** | |

### Section B—Pooled Income Funds

| | | |
|---|---|---|
| **1** Enter the amount of contributions received during 2005 | **1** | |
| **2** Enter the amount required to be distributed for 2005 to satisfy the remainder interest | **2** | |
| **3** Enter any amounts that were required to be distributed to the remainder beneficiary that remain undistributed | **3** | |
| **4** Enter the amount of income required to be paid to private beneficiaries for 2005 | **4** | |
| **5** Enter the amount of income required to be paid to the charitable remainder beneficiary for 2005 | **5** | |

### Section C—Charitable Remainder Trusts and Other Information

(All split-interest trusts, check applicable boxes.)

**1** Check this box if you are filing for a charitable remainder annuity trust or a charitable remainder unitrust whose charitable interests involve only cemeteries or war veterans' posts ▶ ☐

**2** Check this box if you are making an election under Regulations section 1.664-2(a)(1)(i)(a)(2) or 1.664-3(a)(1)(i)(g)(2) to treat income generated from certain property distributions (other than cash) by the trust as occurring on the last day of the tax year. (See page 10 of the instructions.) ▶ ☐

**3** Check this box if any of the split-interest trust's income interests expired during 2005 ▶ ☐

**Sign Here**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than trustee) is based on all information of which preparer has any knowledge.

▶ Signature of trustee or officer representing trustee ▶ Date

**Paid Preparer's Use Only**

| | | | |
|---|---|---|---|
| Preparer's signature ▶ | Date | Check if self-employed ☐ | Preparer's SSN or PTIN |
| Firm's name (or yours if self-employed), address, and ZIP code ▶ | | EIN | |
| | | Phone no. ( ) | |